

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT
 BY: ☐ COMPLAINT ☐ INFORMATION ☒ INDICTMENT
☐ SUPERSEDING
OFFENSE CHARGED
 18 U.S.C. § 1341 Mail Fraud (Counts 1-8)
 18 U.S.C. § 1343 Wire Fraud (Counts 9-15)

☐ Petty
☐ Minor
☐ Misdemeanor
☒ Felony
PENALTY:
 Counts 1-15:
 20yrs imprisonment; \$ 250,000 fine; 3yrs supervised release; \$100 special assessment.

Name of District Court, and/or Judge/Magistrate Location

NORTHERN DISTRICT OF CALIFORNIA

SAN FRANCISCO DIVISION

DEFENDANT - U.S.

▶ Pasquale Iannetti

DISTRICT COURT NUMBER

CR 09 0850**PROCEEDING**

Name of Complainant Agency, or Person (& Title, if any)

U.S. Postal Inspection Service

☐ person is awaiting trial in another Federal or State Court, give name of court

☐ this person/proceeding is transferred from another district per (circle one) FRCrP 20, 21, or 40. Show District

☐ this is a reprosecution of charges previously dismissed which were dismissed on motion of:

☐ U.S. ATTORNEY ☐ DEFENSE

SHOW DOCKET NO.

☐ this prosecution relates to a pending case involving this same defendant

MAGISTRATE CASE NO.

☐ prior proceedings or appearance(s) before U.S. Magistrate regarding this defendant were recorded under
IS NOT IN CUSTODY

- Has not been arrested, pending outcome this proceeding.
- 1) ☐ If not detained give date any prior summons was served on above charges ▶
- 2) ☐ Is a Fugitive
- 3) ☐ Is on Bail or Release from (show District)

IS IN CUSTODY

- 4) ☐ On this charge
- 5) ☐ On another conviction } ☐ Federal ☐ State
- 6) ☐ Awaiting trial on other charges
- If answer to (6) is "Yes", show name of institution

 Has detainer been filed? ☐ Yes ☐ No

If "Yes" give date filed

DATE OF ARREST

Month/Day/Year

Or... if Arresting Agency & Warrant were not

DATE TRANSFERRED TO U.S. CUSTODY

Month/Day/Year

☐ This report amends AO 257 previously submitted

Name and Office of Person

Furnishing Information on this form Joseph P. Russoniello

☒ U.S. Attorney ☐ Other U.S. Agency

Name of Assistant U.S. Attorney (if assigned)

Susan E. Badger/AUSA

ADDITIONAL INFORMATION OR COMMENTS**PROCESS:**
☐ SUMMONS ☒ NO PROCESS* ☐ WARRANT

Bail Amount: _____

If Summons, complete following:

☐ Arraignment ☐ Initial Appearance

Defendant Address:

* Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Date/Time: _____ Before Judge: _____

Comments:

United States District Court

FOR THE
NORTHERN DISTRICT OF CALIFORNIA
CRIMINAL DIVISION
VENUE: SAN FRANCISCO

FILED
09 AUG 20 PM 2:41
FICHA
CLERK
VRW

UNITED STATES OF AMERICA,

v.

PASQUALE ANTONI

CR 09

0850

DEFENDANT.

INDICTMENT

18 U.S.C. § 1341 Mail Fraud
18 U.S.C. § 1343 Wire Fraud

A true bill.

Lynnda Benjamin
Foreman

Filed in open court this 20 day of

August, 2009

ADA YIU

Clerk

ADA YIU

Bail \$

No process

Bernard Zimmerman
BERNARD ZIMMERMAN

JOSEPH P. RUSSONIELLO
United States Attorney

FILED
08 AUG 20 PM 2:11
RICHARD J. ...
CLERK, U.S. ...
NORTHERN DISTRICT OF CALIFORNIA

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

VRW

CR 09

0850

UNITED STATES OF AMERICA,

Plaintiff,

v.

PASQUALE IANNETTI,

Defendant.

No.

VIOLATIONS: 18 U.S.C. § 1341 – Mail
Fraud; 18 U.S.C. § 1343 – Wire Fraud;
18 U.S.C. § 981(a)(1)(C) and
28 U.S.C. § 2461 (c) – Forfeiture of
Fraud Proceeds

INDICTMENT

The Grand Jury charges:

BACKGROUND

At all times relevant to this indictment:

1. A market existed for original limited edition fine art prints by artist Joan Miro (“Miro”), a Spanish artist who died in 1983. Such prints were prepared from a master impression created by the artist, or under his direct supervision. The prints were thereafter produced in a quantity determined by the artist, and each print was inspected by the artist to ensure that it was of a quality level consistent with the artist’s intentions.

1 Prints approved by the artist were signed by the artist and each print in the sequence was
2 uniquely labeled with a different number, except for a small number of copies retained by
3 the artist or publisher for his own use. After production of the predetermined number of
4 prints, the master impression was destroyed so as to ensure that the edition was truly
5 limited.

6 2. Pasquale Iannetti Art Galleries, Inc., was a business operating in San
7 Francisco, California. It operated an art gallery named Pasquale Iannetti Art Galleries,
8 Inc., also known as Pasquale Gallery, which was initially located at 531 Sutter Street, San
9 Francisco. In 2007, the gallery re-located to 565 Sutter Street, San Francisco.

10 3. Pasquale Iannetti Galleries, Inc. represented to customers and others that it
11 dealt in fine original prints and other works of art from the 16th century to the present.

12 4. The defendant, PASQUALE IANNETTI (hereafter "IANNETTI"), was the
13 owner and operator of Pasquale Iannetti Galleries, Inc., and the art gallery by that name.
14 The business was originally incorporated in 1976 as Pasquale Iannetti, Inc. The corporate
15 name was changed to Pasquale Iannetti Galleries, Inc., in 2003. IANNETTI was the
16 President, Chief Executive Officer, Chief Financial Officer, and designated officer for
17 service of process of the corporation, Pasquale Iannetti Galleries, Inc. IANETTI was also
18 the sole owner of the corporation's stock.

19 5. IANNETTI was a signatory on, and had access to and control over, account
20 02609-08xxx held at Bank of America in the name Pasquale Iannetti, Inc.

21 THE SCHEME TO DEFRAUD

22 6. Beginning at a time unknown to the grand jury, but no later than in or about
23 March 2001, and continuing through on or about February 20, 2008, in the Northern
24 District of California and elsewhere, the defendant,

25 PASQUALE IANNETTI,

26 did knowingly and intentionally devise and participate in a material scheme and artifice to
27 defraud, and to obtain money and property by means of materially false and fraudulent
28 pretenses, representations, promises, and omissions, knowing that the pretenses,

1 representations, promises, and omissions were false and material when made, in
2 connection with the sale of what were purported to be original Miro limited edition prints,
3 which scheme is further described below.

4 7. It was part of the scheme that defendant IANNETTI knowingly acquired
5 counterfeit Miro prints from a co-schemer whose identity is known to the grand jury, in
6 order to distribute and sell the prints as original Miro limited edition prints through
7 Pasquale Iannetti Galleries, Inc. The defendant knew and had reason to know that the
8 Miro prints he acquired from the co-schemer were counterfeit. The defendant further
9 knew and had reason to know that many of the counterfeit prints bore forged signatures
10 and/or false numerical or other markings making them appear as if they had been part of
11 an original limited edition, or had been prepared for the artist's own use.

12 8. It was further part of the scheme that defendant IANNETTI, at times,
13 acquired the counterfeit Miro prints from the co-schemer on a consignment basis, and
14 then paid the co-schemer a share of the proceeds upon sale.

15 9. It was further part of the scheme that defendant IANNETTI falsely
16 represented to customers of Pasquale Iannetti Galleries, Inc., that the prints that he and
17 the gallery were selling, including the counterfeit Miro prints, were original limited
18 edition prints signed and authorized by the artists.

19 10. It was further part of the scheme that defendant IANNETTI falsely
20 represented to employees of Pasquale Iannetti Galleries, Inc., that the counterfeit Miro
21 prints were original limited edition prints signed and authorized by Miro. In so doing,
22 IANNETTI caused employees of the gallery to falsely represent to customers that the
23 counterfeit Miro prints were original limited edition Miro prints.

24 11. It was further part of the scheme that defendant IANNETTI misrepresented
25 to employees of Pasquale Iannetti Galleries, Inc., the cost of the counterfeit Miro prints,
26 that is, the amount of money that the co-schemer would receive upon sale of the prints.

27 12. It was further part of the scheme that defendant IANNETTI, through
28 Pasquale Iannetti Galleries, Inc., knowingly sold, and knowingly caused employees of the

1 gallery to sell, counterfeit Miro prints.

2 13. It was further part of the scheme that defendant IANNETTI offered and
3 provided, and caused employees of Pasquale Iannetti Galleries, Inc., to offer and provide,
4 sales invoices, "Appraisal and Authenticity Reports," and "Certificates of Authenticity
5 and Appraisal," for counterfeit Miro prints knowing that those documents contained false
6 representations about the authenticity and origin of the prints.

7 14. It was further part of the scheme that, in some cases, IANNETTI shipped,
8 or caused others to ship, counterfeit Miro prints purchased by customers of Pasquale
9 Iannetti Galleries, Inc., and documentation associated with the purchase, through the
10 United States Postal Service or by private or commercial interstate carrier.

11 15. It was further part of the scheme that, in some cases, IANNETTI used, or
12 caused others to use, interstate wire transmissions in order to consummate the sale
13 transactions of the counterfeit Miro prints and obtain payment from customers, either
14 through the interstate wire transmission of funds between banks, or through credit card
15 transactions that utilized interstate wire transmissions.

16 COUNTS ONE THROUGH EIGHT: (18 U.S.C. § 1341 – Mail Fraud)

17 16. Paragraphs One through Fifteen are realleged as if fully set forth herein.

18 17. On or about the dates set forth below, in the Northern District of California
19 and elsewhere, for the purpose of executing the material scheme to defraud customers of
20 Pasquale Iannetti Galleries, Inc., and to obtain money by materially false and fraudulent
21 pretenses, representations, promises, and omissions, and in attempting to do so, the
22 defendant,

23 PASQUALE IANNETTI,
24 did knowingly cause to be deposited the following items and accompanying
25 documentation to be sent and delivered by the United States Postal Service, and by
26 private and commercial interstate carrier,

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28 ///

to customers of Pasquale Iannetti Galleries, Inc.:

Count	Approximate Date of Mailing	Description of Mailing	From	To
ONE	January 3, 2008	Shipping tube containing counterfeit Miro print, Quarte colors aparien el mon..., 1975, 14/50, inventory # 51954	San Francisco, CA	Bridgeview, ILL
TWO	May 16, 2005	Shipment containing counterfeit Miro print, Lithographe III, 1977, inv. # 50935	San Francisco, CA	Red Wing, MN
THREE	July 11, 2005	Shipment containing counterfeit Miro print, Plate II from Llibre dels Sis Sentits, 1981, 19/50, inv. # 51389	South San Francisco, CA	Clovis, CA
FOUR	August 23, 2005	Shipment containing counterfeit Miro print, Poster for the exhibition "Miro", 1979, 63/75, inv. # 51385	San Francisco, CA	Westport, CT
FIVE	May 10, 2006	Shipment containing counterfeit Miro print, Llibre dels Sis Sentits II, 1981, 30/50, inv. # 51583	South San Francisco, CA	Indianapolis, IN
SIX	April 11, 2006	Shipment containing counterfeit Miro print Lithographe II, 1975, inv.# 51428	San Francisco, CA	Phoenix, AZ

SEVEN	September 12, 2006	Shipment containing three counterfeit Miro prints: L'Oiseau Destructeur, 1969, 57/75, inv. # 51582; Llibre dels Sis Sentits III, 1981, 31/50, inv. # 51585; Llibre dels Sis Sentits IV, 1981, 30/50, inv. # 51586	San Francisco, CA	Singapore
EIGHT	August 8, 2007	Shipment containing counterfeit Miro print, Lithographe II, 1975 inv. # 51425	San Francisco, CA	Chocowinity N.C.

All in violation of Title 18, United States Code, Section 1341.

COUNTS NINE THROUGH FIFTEEN: (18 U.S.C. § 1343 – Wire Fraud)

18. Paragraphs One through Fifteen are realleged as if fully set forth herein.

19. On or about the dates set forth below, in the Northern District of California and elsewhere, for the purpose of executing the material scheme to defraud customers of Pasquale Iannetti Galleries, Inc., and to obtain money by materially false and fraudulent pretenses, representations, promises, and omissions, and in attempting to do so, the defendant,

PASQUALE IANNETTI,

did knowingly transmit and cause to be transmitted the following wire communications in interstate commerce:

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Count	Approximate Date of Wire	Description of Wire
NINE	December 27, 2007	Wire transfer of \$13,750.00 to account 02609-08xxx at Bank of America, San Francisco, for the purchase of print inv. # 51954 from Pasquale Iannetti Galleries, Inc., San Francisco
TEN	May 7, 2005	American Express credit card transaction at the Pasquale Iannetti Galleries, Inc., San Francisco, in the amount of \$ 5,300, in part for the purchase of print inv. # 50935
ELEVEN	June 20, 2005	Master Card credit card transaction at the Pasquale Iannetti Galleries, Inc., San Francisco, in the amount of \$ 17,902.50, in part for the purchase of print inv. # 51389
TWELVE	August 20, 2005	Master Card credit card transaction at the Pasquale Iannetti Galleries, Inc., San Francisco, in the amount of \$ 4,075.00, for the purchase of print inv. # 51385
THIRTEEN	April 8, 2006	Master Card credit card transaction at the Pasquale Iannetti Galleries, Inc., San Francisco, in the amount of \$ 4,000.00, for the purchase of print inv. # 51428
FOURTEEN	July 30, 2006	Visa credit card transaction at the Pasquale Iannetti Galleries, Inc., San Francisco, in the amount of \$ 11,718.00, for the purchase of counterfeit Miro print Serie Mallorca, 1973, 40/50, inv. # 50587
FIFTEEN	August 3, 2007	Visa credit card transaction at the Pasquale Iannetti Galleries, Inc. San Francisco, in the amount of \$ 3,600.00, for the purchase of print inv. # 51425

All in violation of Title 18, United States Code, Section 1343.

FORFEITURE ALLEGATION: (18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c))

1. The allegations contained in this Indictment are realleged and by this reference, are fully incorporated herein for the purpose of alleging forfeiture pursuant to the provisions of 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c).

2. Upon conviction of any of Counts One through Fifteen above, the defendant,
PASQUALE IANNETTI,
shall forfeit to the United States any property, real or personal, which constitutes or is derived from proceeds traceable to said offense, including but not limited to a sum of money equal to the total proceeds from the commission of said offense.

3. If, as a result of any act or omission of the defendant, any of said property

a. cannot be located upon the exercise of due diligence;

b. has been transferred, sold to, or deposited with a third person;

c. has been placed beyond the jurisdiction of the Court;

d. has been substantially diminished in value; or

e. has been commingled with other property which cannot be divided without difficulty;

any and all interest defendants have in any other property up to the value of the property described in paragraph 2, above, shall be forfeited to the United States pursuant to 21 U.S.C. § 853(p), as incorporated by 28 U.S.C. § 2461(c).

All in violation of Title 18, United States Code, Sections 981(a)(1)(C), 1341, and 1343; Title 28, United States Code, Section 2461(c); and Rule 32.2 of the Federal Rules of Criminal Procedure.

DATED:

August 20, 2009

A TRUE BILL.

Synda Benjamin
FOREPERSON

JOSEPH P. RUSSONIELLO
United States Attorney

Brian Stretch
BRIAN STRETCH
Chief, Criminal Division

(Approved as to form: *SSB*)
AUSA BADGER